

Financial Resources (Information provided by Heather Gudac, Vice President WHHNA and Partner at Financial Symmetry)

Who is eligible for the recovery rebate?

The most discussed part of the CARES Act is the recovery rebate. The full rebate is eligible for taxpayers that have an Adjusted Gross Income of \$150,000 or less when filing jointly with their spouse or \$75,000 for single filers. If your income is higher than that, you can use a [calculator](#) discover how much you will receive.

The full rebate is a one-time payment of \$1200 per adult and \$500 per qualifying child. The recovery rebate will be directly deposited into the bank account listed on your most recent tax return. Listen to this episode to hear planning opportunities around the appropriate timing if you should file your taxes right away or if it would be best for you to wait a bit longer.

What else did the CARES Act change?

There were several other changes that should be noted as well.

1. No RMD's in 2020. The CARES Act waived the required minimum distributions for the year 2020.
2. You can take an above the line deduction of up to \$300 for charitable giving. To encourage citizens to continue supporting their favorite charities during this crisis the law has created this deduction for one time charitable giving.
3. Federal student loans have been suspended until September 2020. This is only for federal student loans, but this was designed to help people free up their cash flow.
4. There has been an increase in unemployment benefits in both the maximum amount of money you can receive and the amount of time that you can receive it.
5. If you have a federally backed mortgage you can extend your loan by up to 6 months.

Tax Filing Deadline Extended: Here is what we know so far:

First, the tax filing deadline has been extended from April 15th to July 15th. In doing so, the IRS is not only giving individuals and businesses additional time to file their returns, but also to pay tax due without interest or penalties, regardless of the amount owed. As a taxpayer, there is no need to file any additional forms or contact the IRS to qualify for the automatic tax filing and payment extension. [Many states](#), including North Carolina have followed suit, while others have issued guidance of their own. While North Carolina is extending the filing deadline, under current North Carolina law, [interest will continue to accrue](#) on underpayment. This is one major difference between the new rules around Federal and North Carolina tax filing for 2020.

While there is now additional time to complete your return, the IRS does urge those who are due a tax refund to file as soon as possible. While they are curtailing some operations, the IRS will continue to accept tax returns and issue refunds.

Did they change the estimated tax payment deadlines?

In addition to extending the filing and payment deadline, the IRS has also issued guidance on 2020 1st quarter estimated payments. Currently, no additional guidance has been issued on Quarter's 2-4, however we do expect changes to be made, especially for the 2nd quarter.

- **Confirmed** 2020 Quarter 1 Estimated Tax Payment Deadline: July 15th, 2020 (traditionally April 15th)
- **Pending** 2020 2nd Quarter Estimated Tax Payment Deadline: Traditionally June 15th, 2020
- **Pending** 2020 3rd Quarter Estimated Tax Payment Deadline: Traditionally September 15th, 2020
- **Pending** 2020 4th Quarter Estimated Tax Payment Deadline: Traditionally January 15th, 2021

What about account contribution deadlines?

The IRS has also extended the ability to fund IRAs and Health Savings Accounts to the new deadline of July 15th. Note, prior to making contributions to these accounts you will first want to verify you are eligible to do so based on your level of income and filing status.

For more details see below.

Original post: <https://www.financialsymmetry.com/cares-act-action-items/>

Original post: <https://www.financialsymmetry.com/what-you-need-to-know-about-the-new-2019-tax-filing-deadline/>

Stimulus Calculator: <https://www.omnicalculator.com/finance/stimulus-payment>